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08/841;338

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April 24, 2001

First Named Inventor

Asif Adatia

Art Unit

3624

Examiner Name

S.R. Wasylchak

Attorney Docket Number

GOL101.10011

**ENCLOSURES (Check all that apply)**☐

Fee Transmittal Form

☐

Fee Attached

☐

Amendment/Reply

☐

After Final

☐

Affidavits/declaration(s)

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Extension of Time Request

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Information Disclosure Statement

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of Appeals and Interferences☐Appeal Communication to TC  
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Firm Name

Archer &amp; Greiner, P.C.

Signature

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John F. Letchford

Date

July 26, 2005

Reg. No.

33,328

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July 26, 2005

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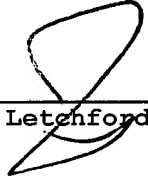
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: :  
Asif Adatia :  
Application No.: 09/841,338<sup>388</sup> :  
Filed: April 24, 2001 : Group Art Unit: 3624  
For: AUTOMATED SECURITIES TRADE : Examiner: S.R. Waslylchak  
EXECUTION SYSTEM AND METHOD :  
Attorney Docket No.: :  
GOL101.10011 :

I, John F. Letchford, Registration No. 33,328, certify that this correspondence is being deposited with the U.S. Postal Service as first class mail in an envelope addressed to Mail Stop Appeal Brief - Patents, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450 on July 26, 2005.

  
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John F. Letchford

Mail Stop Appeal Brief - Patents  
Commissioner for Patents  
P.O. Box 1450  
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Sir:

APPELLANTS' BRIEF PURSUANT TO 37 CFR § 41.37

The above-identified reissue application comes before the United States Patent and Trademark Office ("USPTO") Board of Appeals and Interferences ("Board") from a Final Rejection of claims 1-23 dated December 16, 2004.

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I. REAL PARTY IN INTEREST

The real party in interest in the present appeal is Goldman, Sachs & Company, a partnership formed under the laws of the State of New York with its principal place of business located at 85 Broad Street, New York, NY 10004, USA (hereinafter "Assignee"), as evidenced by an assignment of the entire right, title and interest in and to the application from the inventor, Asif Adatia, to Assignee, which is recorded in the USPTO at reel 012051 and frame 0386.

II. RELATED APPEALS AND INTERFERENCES

There are no other appeals or interferences known to Appellant, Assignee or the undersigned which will directly affect or be directly affected by or have a bearing on the Board's decision in the presently pending appeal.

III. STATUS OF THE CLAIMS

The status of the claims in the application is as follows:

Claims 1-23 remain in the application and are finally rejected.

IV. STATUS OF AMENDMENTS FILED SUBSEQUENT TO THE FINAL REJECTION

No amendments were filed subsequent to the Final Rejection.

V. SUMMARY OF THE CLAIMED SUBJECT MATTER

Most broadly, the invention defined in the claims on appeal is addressed to automated securities trade systems and methods. The claims on appeal include four (4) independent claims, claims 1, 9, 14 and 19.

The automated securities order execution system recited in independent claim 1 on appeal involves (with reference to specification page and line numbers and drawing reference characters, where available, in parentheses):

order entering means for a client to enter an order (specification at page 2, lines 12-18 and page 3, lines 13-14; drawing ref. no. 16);

at least one filtering means for determining whether the order can be automatically executed (specification at page 2, lines 12-18 and page 4, line 25 through page 6, line 21; drawing ref. nos. 22, 30 and 40);

routing means for routing the order to a destination based upon the determination made by each of said at least one filtering means (specification at page 2, lines 12-18);

executing means for executing the order (specification at page 2, lines 12-18); and

reporting means for reporting the result of the order execution to the client (specification at page 2, lines 12-18 and page 7, lines 3-8; drawing ref. no. 16).

Claims 2-8 on appeal further enlarge upon the arrangement and operation of the automated securities order execution system of claim 1 to define various features which are believed to be representative of preferred aspects thereof.

The method for automatically executing a securities trade recited in independent claim 9 on appeal involves (with reference to specification page and line numbers and drawing reference characters, where available, in parentheses):

creating at least one filter (specification at page 2, lines 19-25 and page 7, line 9 through page 11, line 32; drawing ref. nos. 22, 30 and 40);

entering an order for a security by a client (specification at page 2, lines 19-25 and page 3, lines 13-14; drawing ref. no. 16);

applying each of said at least one filter to the order to determine whether the order can be automatically executed (specification at page 2, lines 19-25 and page 4, line 25 through page 6, line 21; drawing ref. nos. 22, 30 and 40);

routing the order to a destination based upon whether the order can be automatically executed (specification at page 2, lines 19-25 and page 5, lines 22-25; drawing ref. no. 32);

executing the order (specification at page 2, lines 19-25);  
and

reporting the results of the trade to the client (specification at page 2, lines 19-25 and page 7, lines 3-8; drawing ref. no. 16).

Claims 10-13 on appeal further enlarge upon the method for automatically executing a securities trade of claim 9 to define various features which are believed to be representative of preferred aspects thereof.

The automated securities order execution system recited in independent claim 14 on appeal involves (with reference to

specification page and line numbers and drawing reference characters, where available, in parentheses):

order entering means for a client to enter an order (specification at page 2, lines 12-18 and page 3, lines 13-14; drawing ref. no. 16);

at least one broker filter for determining whether the order can be processed (specification at page 4, line 25 through page 5, line 11; drawing ref. no. 22);

at least one trader filter for determining whether the order can be automatically executed (specification at page 5, lines 12-32; drawing ref. no. 30);

at least one compliance filter for determining whether the order meets the criteria of the market on which the security is traded (specification at page 5, line 33 through page 6, line 21; drawing ref. no. 40);

routing means for routing the order to a destination based upon the determination made by said broker, trader and compliance filters (specification at page 2, lines 12-18);

executing means for executing the order (specification at page 2, lines 12-18); and

reporting means for reporting the result of the order execution to the client (specification at page 2, lines 12-18 and page 7, lines 3-8; drawing ref. no. 16).

Claims 15-18 on appeal further enlarge upon the arrangement and operation of the automated securities order execution system of claim 14 to define various features which are believed to be representative of preferred aspects thereof.

The method for automatically executing a securities trade recited in independent claim 19 on appeal involves (with

reference to specification page and line numbers and drawing reference characters, where available, in parentheses):

creating at least one broker filter for determining whether the order can be processed (specification at page 2, lines 19-25 and page 10, line 31 through page 11, line 24; drawing ref. no. 30);

creating at least one trader filter for determining whether the order can be automatically executed (specification at page 2, lines 19-25 and page 7, line 9 through page 10, line 30; drawing ref. no. 22);

creating at least one compliance filter for determining whether the order meets the criteria of the market on which the security is traded (specification at page 2, lines 19-25 and page 5, line 33 through page 6, line 21; drawing ref. no. 40);

entering an order for a security by a client (specification at page 2, lines 19-25 and page 3, lines 13-14; drawing ref. no. 16);

applying each of said at least one broker, trader and compliance filter to the order to determine whether the order can be automatically executed (specification at page 2, lines 19-25 and page 4, line 25 through page 6, line 21; drawing ref. nos. 22, 30 and 40);

routing the order to a destination based upon whether the order can be automatically executed (specification at page 2, lines 12-18);

executing the order (specification at page 2, lines 19-25);  
and

reporting the results of the trade to the client (specification at page 2, lines 19-25 and page 7, lines 3-8; drawing ref. no. 16).

Claims 20-23 on appeal further enlarge upon the method for automatically executing a securities trade of claim 19 to define various features which are believed to be representative of preferred aspects thereof.

The invention claimed in the independent claims on appeal provides various novel automated securities trade systems and methods. The invention enables a trader to set certain rules for trade orders. If an order meets the pre-defined criteria of the rules, then the order is automatically executed without trader intervention. If an order fails to satisfy the criteria, then the trader acts directly on the order; otherwise, all orders are automatically processed, thereby shortening execution time. The system is most effective with small orders which are easily filled. By freeing up some of the trader's time, he or she can concentrate on larger orders that are more difficult to fill.

As will be clearly demonstrated hereinafter, the systems and methods defined in all of the claims on appeal are neither disclosed nor suggested, either expressly or implicitly, by the reference relied upon by the Examiner, whether that reference is considered individually or in combination with "official notice" (discussed below).

VI. GROUND OF OBJECTION/REJECTION TO BE REVIEWED ON APPEAL

A statement of each separate ground of objection or rejection Appellant wishes to be reviewed, including the basis of each ground of rejection is as follows:



(1) Claims 1-5, 7-10, 12-20, 22 and 23 stand rejected under 35 U.S.C. § 102(b) as being anticipated by Kennedy et al. (U.S. Patent No. 6,055,519, "Kennedy").

(2) Claims 6, 11 and 21 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Kennedy and "official notice."

## VII. ARGUMENT

(1) Rejection of Claims 1-5, 7-10,  
12-20, 22 and 23 under 35 U.S.C. § 102(b)

Claims 1-5, 7-10, 12-20, 22 and 23 stand rejected under 35 U.S.C. § 102(b) as being anticipated by Kennedy. Such rejection is respectfully traversed.

For the Board's convenience, independent claims 1, 9, 14 and 19 on appeal are reproduced herebelow, with emphasis added.

1. An automated securities order execution system, comprising:  
order entering means for a client to enter an order;  
at least one filtering means for determining whether the  
order can be automatically executed;  
routing means for routing the order to a destination based  
upon the determination made by each of said at least one  
filtering means;  
executing means for executing the order; and  
reporting means for reporting the result of the order  
execution to the client.

9. A method for automatically executing a securities trade,  
comprising the steps of:  
creating at least one filter;  
entering an order for a security by a client;

applying each of said at least one filter to the order to determine whether the order can be automatically executed;

routing the order to a destination based upon whether the order can be automatically executed;

executing the order; and

reporting the results of the trade to the client.

14. An automated securities order execution system, comprising:

order entering means for a client to enter an order;

at least one broker filter for determining whether the order can be processed;

at least one trader filter for determining whether the order can be automatically executed;

at least one compliance filter for determining whether the order meets the criteria of the market on which the security is traded;

routing means for routing the order to a destination based upon the determination made by said broker, trader and compliance filters;

executing means for executing the order; and

reporting means for reporting the result of the order execution to the client.

19. A method for automatically executing a securities trade, comprising the steps of:

creating at least one broker filter for determining whether the order can be processed;

creating at least one trader filter for determining whether the order can be automatically executed;

creating at least one compliance filter for determining whether the order meets the criteria of the market on which the security is traded;

entering an order for a security by a client;  
applying each of said at least one broker, trader and compliance filter to the order to determine whether the order can be automatically executed;  
routing the order to a destination based upon whether the order can be automatically executed;  
executing the order; and  
reporting the results of the trade to the client.

None of the underscored passages from Appellant's independent claims 1, 9, 14 and 19 are disclosed by Kennedy.

Kennedy is a system for negotiating and tracking a sale of goods. The Kennedy system is structured to facilitate an ongoing iterative exchange between the buyer and seller of the goods. In contrast, the invention defined in original claims 1-13, is an automated securities order execution system and method. The claimed invention results in the execution of a request for a security trade transaction (buy/sell) by a client. Once the client request is made, the system executes the request automatically if all specified rules are satisfied or manually by a trader if they are not. The client has no further involvement in the process.

Offering little detail, Kennedy makes two brief references to automated trading performed on stock exchanges such as NASDAQ; see column 1, lines 16-19 and column 3, lines 8-19. Indeed, the latter reference to NASDAQ touts, with emphasis added, an alleged advantage of the Kennedy system over the NASDAQ system:

A further technical advantage is that negotiation for a package of items is permitted rather simply for a single item. In contrast, a bidder on the NASDAQ, for example, can not request purchasing a package containing 100 shares of IBM and 100 shares of MICROSOFT for \$20,000. The bidder must separate the request into two requests. The present invention handles such package requests, in part, because manufacturers often require them. For example, a manufacturer of a table wants to request 100 tabletops and 400 table legs and receive a quote for the whole package. A delivery policy field can allow a range of contracts and blanket orders to be modeled.

The instant invention is specifically used to execute automated securities trades on exchanges such as NASDAQ. Based on Kennedy's criticism of the capabilities of NASDAQ securities trading systems, and the portions of the Kennedy text relied upon by the Examiner in support of his rejections (particularly the description of an iterative negotiation of the sale of tangible items at column 6, lines 20-59), it is not seen how Kennedy either anticipates or renders obvious the presently claimed systems and methods for automating a securities order. To the contrary, Kennedy goes to great lengths to distance the Kennedy invention from allegedly "technically disadvantaged" automated securities trading systems such as those of NASDAQ. Kennedy's disclosed and claimed invention is founded on a negotiation engine 16 for supporting iterative negotiation and tracking of the sale of goods between sellers and buyers. Kennedy is utterly silent regarding any other capabilities or uses of his system, let alone executing securities orders, as is required by the presently claimed invention.

For the foregoing reasons, Appellant submits that Kennedy fails to anticipate the present invention as claimed in claims 1-5, 7-10, 12-20, 22 and 23. Indeed, in several critical

respects Kennedy leads one of ordinary skill in the art directly away therefrom. Accordingly, Appellant kindly submits that the outstanding rejection of claims 1-5, 7-10, 12-20, 22 and 23 under 35 U.S.C. 102(b) as being anticipated by Kennedy is improper and should be reversed.

(2) Rejection of Claims 6, 11  
and 21 under 35 U.S.C. § 103(a)

Claims 6, 11 and 21 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Kennedy and "official notice." Such rejection is respectfully traversed.

The Examiner's "official notice" of the alleged notoriety of consummating a securities transaction with a manual "backup" notwithstanding, that concept, without more, fails to overcome the many shortcomings of the Kennedy reference vis-à-vis Appellants independent claims 1, 9 and 19 set forth above. Thus, no combination of the notion of a manual "backup" with the teachings of the Kennedy patent will produce the automated securities trading system and methods called for in those claims and, derivatively, the claims that depend therefrom, including claims 6, 11 and 21.


When considered in combination with the "official notice" proffered by the Examiner, Kennedy cannot and does not render obvious Appellant's invention as set forth in claims 6, 11 and 21. Accordingly, Appellant kindly submits that the outstanding rejection of claims 6, 11 and 21 under 35 U.S.C. 103(a) as being unpatentable over Kennedy and "official notice" is improper and should be reversed.

To conclude, Appellant's claims must be interpreted fairly and accurately. Additionally, the teachings of the prior art cited against the claims on appeal must be fairly and accurately interpreted for what it in fact discloses and/or suggests. The disclosures of Kennedy, when so interpreted (with or without the "official notice" raised by the Examiner), do not disclose or suggest Appellant's claimed invention. Therefore, the invention as a whole would not have been considered obvious to one skilled in this art at the time of Appellant's invention. Accordingly, it is respectfully submitted that the Final Rejection of claims 1-23 should be reversed.

Respectfully submitted,

**ASIF ADATIA**

Date: July 26, 2005

  
\_\_\_\_\_  
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# VIII. APPENDIX

The claims on appeal are as follows:

1. An automated securities order execution system, comprising:  
order entering means for a client to enter an order;  
at least one filtering means for determining whether the order can be automatically executed;  
routing means for routing the order to a destination based upon the determination made by each of said at least one filtering means;  
executing means for executing the order; and  
reporting means for reporting the result of the order execution to the client.
2. An automated securities order execution system according to Claim 1, wherein said at least one filtering means includes  
first filtering means for determining whether the order contains sufficient information to be executed.
3. An automated securities order execution system according to Claim 2, wherein said at least one filtering means further includes  
second filtering means for determining whether the order can be automatically executed.
4. An automated securities order execution system according to Claim 3, wherein said at least one filtering means further includes  
third filtering means for determining whether an order to be automatically executed meets the criteria of the market on which the security is traded.

5. An automated securities order execution system according to Claim 3, wherein said second filtering means includes at least one filter to be applied to the order, each of said at least one filter including a plurality of criteria that can be set by a user of the system.

6. An automated securities order execution system according to Claim 1, wherein, if the order cannot be automatically executed, said routing means sends the order to a trader for manual execution.

7. An automated securities order execution system according to Claim 1, wherein said executing means sends the order to an exchange to be automatically executed.

8. An automated securities order execution system according to Claim 1, wherein said executing means fills the order from inventory.

9. A method for automatically executing a securities trade, comprising the steps of:

- creating at least one filter;
- entering an order for a security by a client;
- applying each of said at least one filter to the order to determine whether the order can be automatically executed;
- routing the order to a destination based upon whether the order can be automatically executed;
- executing the order; and
- reporting the results of the trade to the client.

10. The method of Claim 9, wherein the creating step includes defining a plurality of criteria for each filter.



11. The method of Claim 9, wherein if the order cannot be automatically executed, the routing step includes sending the order to a trader for manual execution.

12. The method of Claim 9, wherein the executing step includes sending the order to an exchange to be automatically executed.

13. The method of Claim 9, wherein the executing step includes filling the order from inventory.

14. An automated securities order execution system, comprising:  
order entering means for a client to enter an order;  
at least one broker filter for determining whether the order can be processed;  
at least one trader filter for determining whether the order can be automatically executed;  
at least one compliance filter for determining whether the order meets the criteria of the market on which the security is traded;  
routing means for routing the order to a destination based upon the determination made by said broker, trader and compliance filters;  
executing means for executing the order; and  
reporting means for reporting the result of the order execution to the client.

15. An automated securities order execution system according to Claim 14, wherein each said at least one trader filter includes a plurality of criteria that can be set by a user of the system.

16. An automated securities order execution system according to Claim 14, wherein, if the order cannot be automatically

executed, said routing means sends the order to a trader for manual execution.

17. An automated securities order execution system according to Claim 14, wherein said executing means sends the order to an exchange to be automatically executed.

18. An automated securities order execution system according to Claim 14, wherein said executing means fills the order from inventory.

19. A method for automatically executing a securities trade, comprising the steps of:

- creating at least one broker filter for determining whether the order can be processed;

- creating at least one trader filter for determining whether the order can be automatically executed;

- creating at least one compliance filter for determining whether the order meets the criteria of the market on which the security is traded;

- entering an order for a security by a client;

- applying each of said at least one broker, trader and compliance filter to the order to determine whether the order can be automatically executed;

- routing the order to a destination based upon whether the order can be automatically executed;

- executing the order; and

- reporting the results of the trade to the client.

20. The method of Claim 19, wherein the creating step includes defining a plurality of criteria for each of said at least one broker, trader and compliance filter.

21. The method of Claim 19, wherein if the order cannot be automatically executed, the routing step includes sending the order to a trader for manual execution.

22. The method of Claim 19, wherein the executing step includes sending the order to an exchange to be automatically executed.

23. The method of Claim 19, wherein the executing step includes filling the order from inventory.

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